



Policy Briefing

26 May 2023

Why the Mayor must insource safety critical agency track workers on the Tube

Summary

- London Underground engage hundreds of bogus self-employed track protection workers via two companies called Morson and Cleshar.
- These workers are given shifts by text message, never know how many hours or where they will be working and are denied sick pay, holiday, pensions and travel facilities.
- Two thirds of Track Protection staff say they would be worried about raising safety concerns for fear of losing work
- 75% are struggling to make ends meet
- Most report constantly monitoring their phones and being uncomfortable turning down unsuitable shifts for fear of not getting future work
- Most report that their way of working creates stress for them and their families, leading to poor physical and mental health.
- Employing these workers in house directly would be more efficient, more economical and fairer and safer.

Introduction

Despite the history of failed experiments with outsourcing of maintenance on the Tube maintenance, it is a little-known fact that London Underground still outsources some key safety critical track maintenance work to private companies.

Morson and Cleshar provide hundreds of highly skilled safety critical staff who ensure safe working in Underground track maintenance and cleaning.

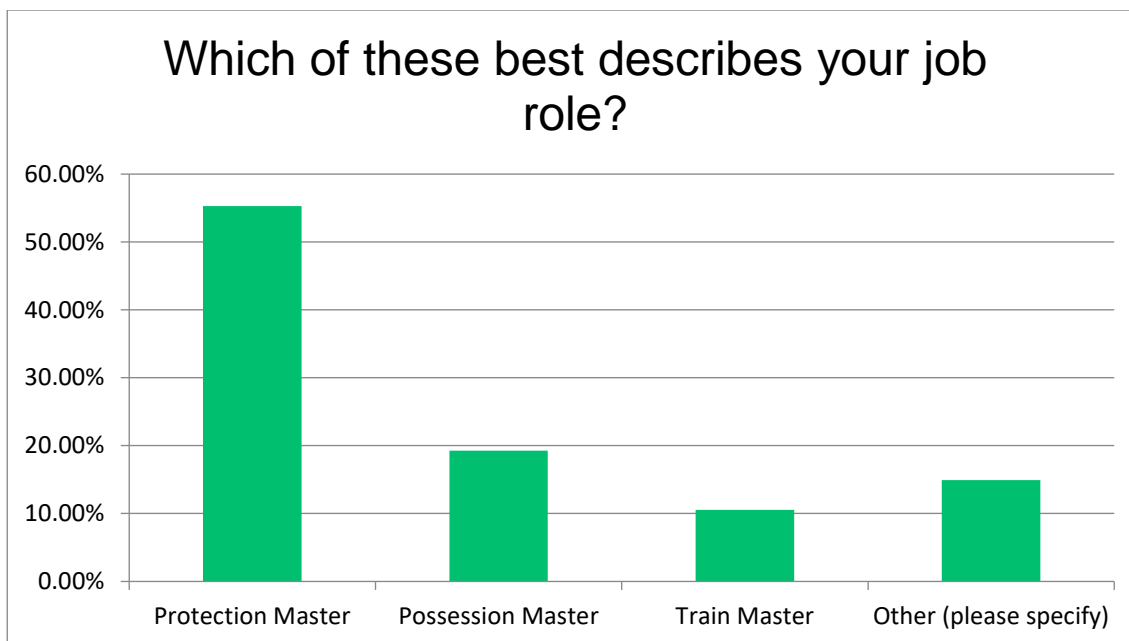
The workers they provide for London Underground are on bogus self-employment arrangements. This means that they are denied many employment rights like sick pay, holiday or protection from unfair dismissal. The workers are often notified of work at short

notice, often by text message. Although they are supposed to be given 72 hours' notice, it is often less and because of their pay and working conditions, the workers have little choice over whether to take shifts.

On 15th April 2022, a track worker engaged by one of these companies was struck by a train while working in a three-person team. The team had one worker employed by Morson, one by Cleshar and one by London Underground. A three-person team with three separate employers. The subsequent investigation by the Rail Accident Investigation Branch (RAIB) exposed some critical facts about the way that this employment model affects both workers and their safety at work.

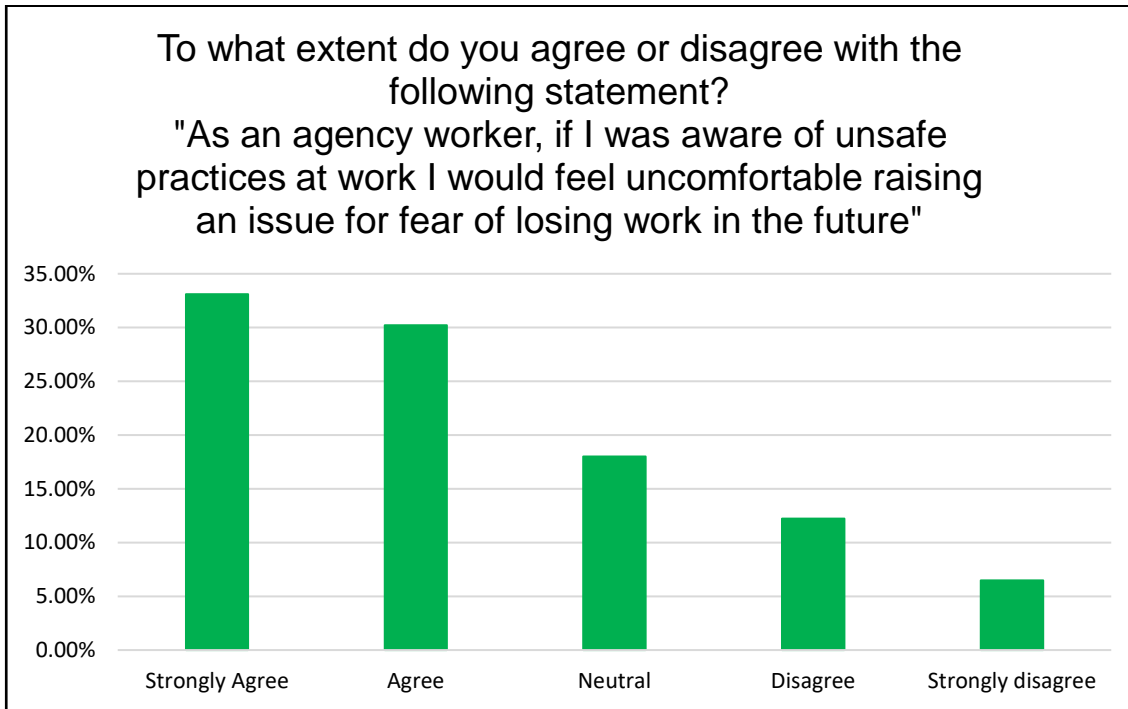
The report warned that 'some agency staff feel that they cannot question or challenge LUL staff because this could affect the likelihood of further work with a particular group of people at a particular depot'. The RAIB also noted that some agency staff may feel that they need to exaggerate their familiarity with track or be reluctant to raise questions in briefings for fear of not being offered work in the future.

RMT has been campaigning for years to get these workers brought in-house, believing that it would be fairer for the workers, better for their safety and more economical and efficient for London Underground and TfL. The union conducted a survey of its members at Morson and Cleshar between 23 and 26 May 2023 and received 161 responses. These are the results.



Two thirds of Track Protection staff say they would be worried about raising safety concerns for fear of losing work

63% of respondents to the survey agreed or strongly agreed with the suggestion by the RAIB that they would feel uncomfortable raising an issue for fear of losing work.

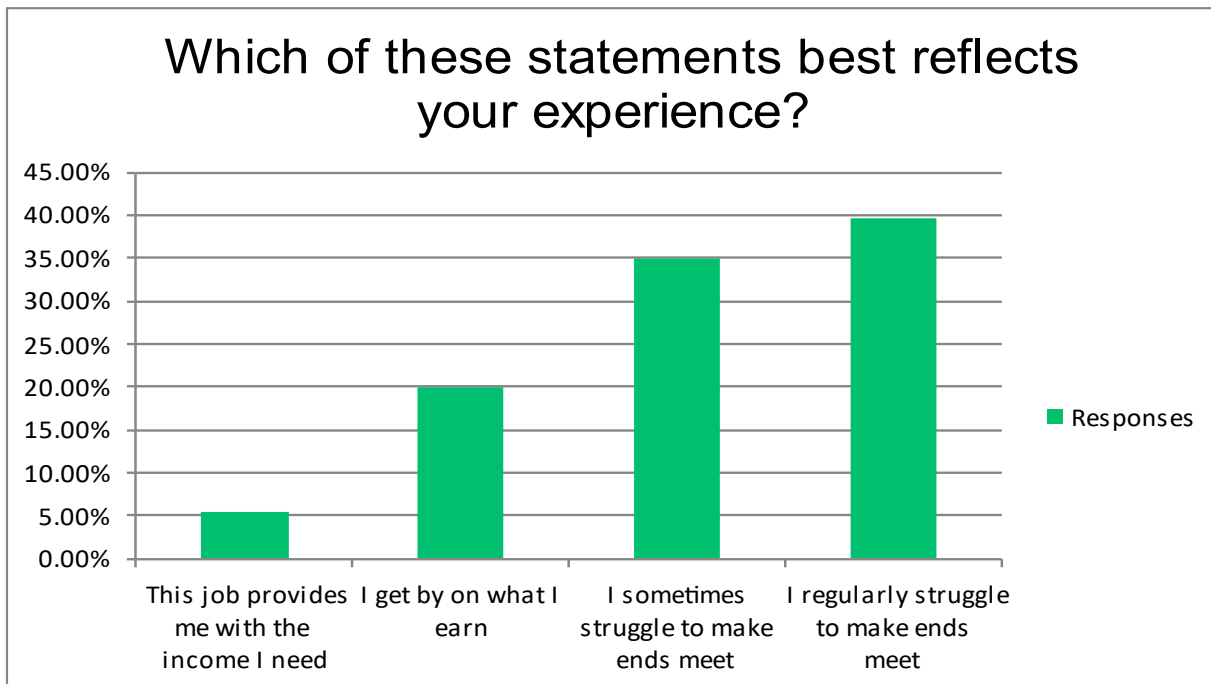


- *"I may lose my job from my agency if I report an incident. My agency may not put my name forward for works the next week to the LU protection services again".*
- *"I tend to overlook unsafe practices just to keep my shifts going"*
- *"I am not in charge of where and when I work as such cannot afford to go against anyone who controls these".*
- *"The fear of getting fired won't allow you to say some certain things."*
- *"Heard of quite a few instances over the years of people not getting shifts when raised an issue."*
- *"they will tell you that this is the work that you have agreed to do and there is situation when you refuse that they won't give you any shift or they give minimum shifts for few weeks as punishment."*
- *"When I raised an issue...it caused me a few days off work for investigation. It makes you rather feel I would not raise any issue to avoid losing any shifts subsequently."*

This reluctance to raise safety concerns because of the precariousness of their work is unsurprising as these workers are overwhelmingly struggling to make ends meet.

75% are struggling to make ends meet

75% of the survey respondents said that they sometimes or regularly struggle to make ends meet on the income they get, with 39% saying they regularly struggle.



This is closely related to the fluctuation in shifts. While these workers average between 4 and 5 shifts, the fluctuation, which can dip as low as 3 shifts, can make a huge difference to standard of living. In addition, if these workers are sick, there is no sick pay. With the soaring cost of living, these workers are in real hardship.

- *"I've been off work for nearly 4 months after breaking a limb. Don't get any money at all, no sick pay. After 17 years with Morson (7 of which were with Protection Services) I have absolutely nothing."*
- *"At times, I get 4 days in a week and it's not enough"*
- *"If I'm doing 3 shifts with 20% deduction, fuel to get to work and car insurance, my take home is less than £1200 at the end of the month and this does not even cover the rent, so the job pay is not sustainable".*
- *"I always worry about tomorrow as I cannot plan. I depend on texts for work. I don't know who I work for, Cleshar would said I don't work for them but when I book with the TAC, I have to say that I work for Cleshar."*
- *"Inadequate and unpredictable shifts provided means you can't plan your income as against your expenditures which inevitably makes it difficult to cope with a day to day family life."*
- *"The cost of living everything's gone up, especially using a umbrella company we used to be able to claim for food and travel."*
- *"No pension plan. No holiday pay. No sick payments. No transportation allowance. No any privilege for working with LUL for the whole of my life.....I can be sack at anytime even though I work for 23 years now. Nobody cares for you.....very bad situation."*

'I feel obliged to accept the shift'

While the amount of notice that they get has improved in many cases since the last time RMT surveyed these workers, they are still have to monitor their phones to ensure that they get offers of shifts and they feel a high degree of obligation to take the shifts they are offered regardless of whether they suit them or their families' needs. And there are still plenty of cases of short notice.

78% agreed that they have to monitor their phones closely to make sure they go notice of shifts and 59% said they would feel uncomfortable saying no to hours that don't suit them. 56% also said they were not able to work extra hours when they need them.

- *"There has been a little improvement with job notice where we get 24 hour hours notification but previously it wasn't so, you sometimes get called for work 5pm on the night of work"*
- *"I get notice to work on a daily basis. Sometimes have to wait till 6pm to know where I'm working."*
- *"If emergency jobs come in and I'm informed, I feel obliged to accept the shift to make up for the low shifts"*
- *"If you call off shift you will definitely get punished indirectly."*
- *"We get texts late in the day and sent to station miles away from home."*
- *"You have to put everything on standby just because you are not sure if you'll be working or not".*

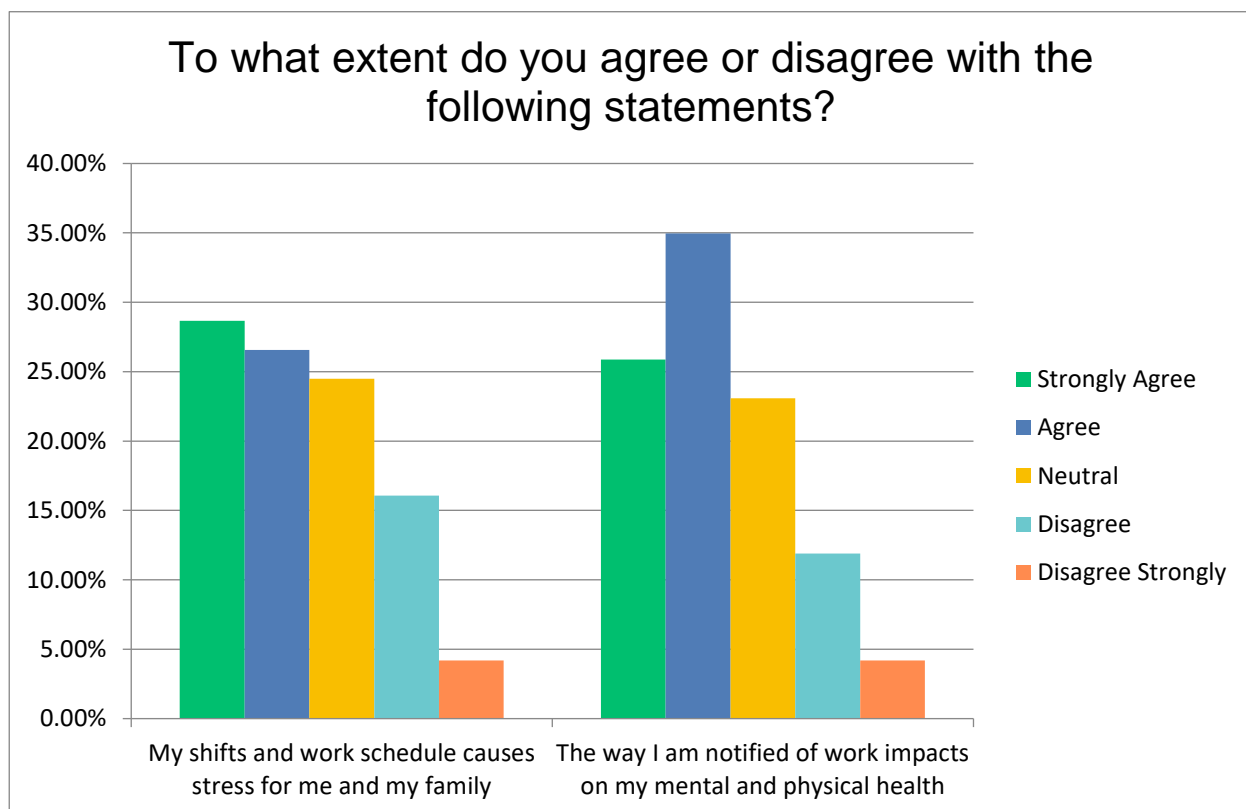
To what extent to do you agree or disagree with the following statements?	Strongly agree	Agree	Neutral	Disagree	Disagree strongly
I can work extra hours when I want	13%	18%	14%	26%	30%
I have to closely monitor my phone to receive notice of shifts	53%	25%	9%	9%	3%
I feel comfortable saying no to hours that don't suit me	7%	17%	18%	33%	26%
I get sufficient notice of when I am needed to work	3%	32%	22%	24%	19%

“Waiting for the text messages on the phone day in day out and thinking about the location they are going to send you to is a nightmare.”

Waiting by the phone, feeling the obligation to take every shift, whatever the hours, either to make ends meet or make sure that the future offers keep coming, not knowing when or where you will be working– all this takes a toll on workers’ physical and mental health.

55% of respondents reported that shifts and work schedules caused stress for them and their families, while 60% agreed that it affected their mental and physical health.

- *"I cannot plan anything for the future as my work make me unsure for even next week. I cannot even plan for the weekend even though I have been working for over 13 years with Cleshar."*
- *"The atmosphere of uncertainty about tomorrow makes it just stressful to plan ahead".*
- *"My children and wife will always ask me if I am working that night every afternoon"*
- *"Waiting for the text messages on the phone day in day out and thinking about the location they are going to send you to is a nightmare."*



These workers should be employed in-house

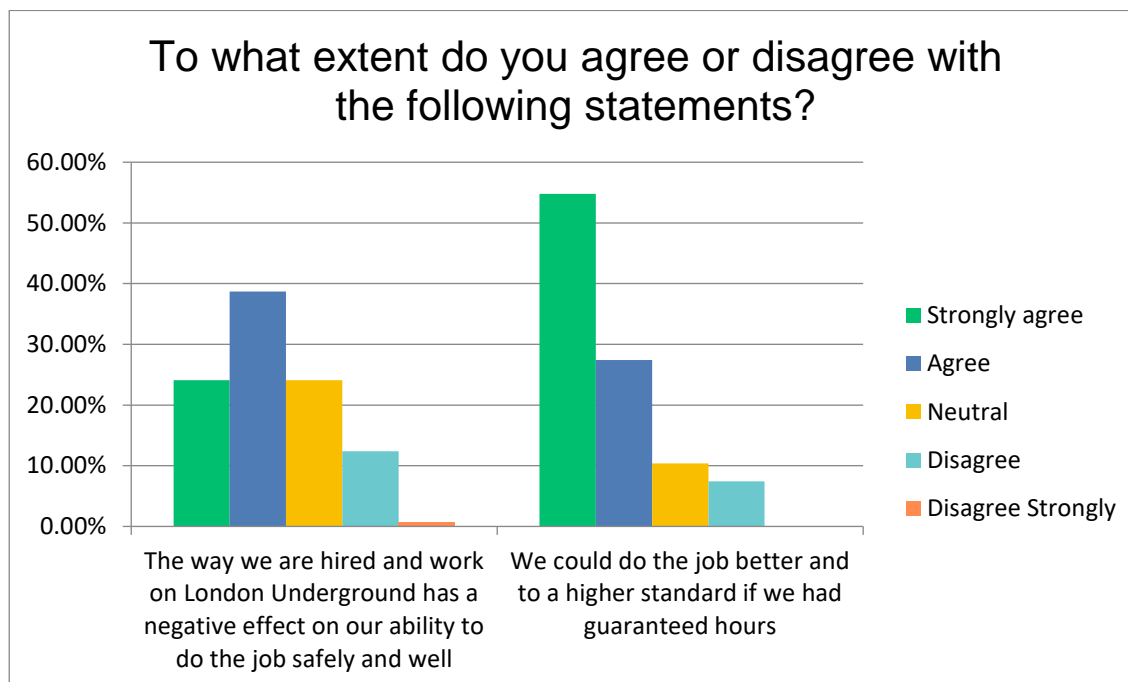
Precarious or self-employed jobs are often justified on the grounds that the workforce fluctuates in size over time or on the basis that workers want independence to be able to turn down work. That is not the case with these workers.

- 94% of the workers surveyed had worked on London Underground for more than 5 years.
- They averaged 4.5 shifts per week.
- On average they work a 35 hour week.
- 84% of the workers said they would rather have guaranteed hours, even if it meant less flexibility for them.

This is not a fluctuating seasonal workforce of people with a portfolio of other jobs. It is a stable group of skilled employees whose work could be guaranteed and organised through standard employment contracts with London Underground.

Bringing these workers in house would be better for London Underground's safety-critical track work

Survey respondents agreed. 63% agreed that the way that workers are currently hired and work has a negative effect on their ability to do the job. 82% said that they could do a better job if they had guaranteed hours.



- *"This is a professional safety role, however the loss of passion for safety on both sides, lack of guarantee of work, lack of benefits despite several years of service,*

no guarantee of what the future holds should any issue happen to one's health or tickets and the disregard of the role of a PWT from the regular SPIC inevitably makes staff develop a nonchalant attitude and lack of zeal to do the job to a high standard."

- *"There will be full concentration and undivided interest on the job. I will not think of how to ameliorate the poor monthly wages."*
- *"Guaranteed hours means we don't need a second job. Then we can concentrate on providing protection."*

When London Underground brought Metronet's maintenance in-house, TfL noted that 'costs have reduced and performance improved'. The same was noted when Network Rail brought its maintenance in-house.

Bringing these workers in-house would save London Underground and TfL money

In 2017, when the Mayor moved the last regular maintenance work in-house, he announced that it would save £80 million over the next 10 years.

TfL spending are spending £90 million a year on Morson and Cleshar. RMT examined TfL's data on its spending above £250 and analysed the payments made to Morson and Cleshar between 2016-17 and 2021-22. We found that in this period TfL paid out nearly £550 million to the two companies.

On average TfL have paid £91 million to the two companies each year in this period. The profit margin for these contracts is not known but assuming a conservative 5%, common for maintenance contracts, we can estimate that they made at least £27 million in profits in this period.

TfL Payments to Morson and Cleshar

(£m)	Morson	Cleshar	Total	Estimated Profits (5%)
2016-17	54.7	48.1	102.8	5.1
2017-18	42.0	37.9	79.9	4.0
2018-19	39.0	50.1	89.1	4.5
2019-20	41.1	67.3	108.4	5.4
2020-21	27.9	49.8	77.7	3.9
2021-22	36.0	53.3	89.3	4.5
TOTAL	240.7	306.5	547.2	27.4

Source: <https://tfl.gov.uk/corporate/publications-and-reports/expenditure>

When London Underground brought its maintenance work in-house after the Metronet and Tubelines fiascos, TfL noted that costs reduced and performance improved. Reliability improved by 38%. TfL predicted that it would save at least £80 million over the next 10 years in 'expensive management fees'.¹

The way that these workers are employed may be discriminatory

TfL and London Underground employees have sick pay, holiday and free travel on TfL's network as a consequence of their direct employment. The overall ethnicity of TfL's employees shows that 32.8% of them describe their ethnicity as BAME.²

By contrast, 54% of the respondents to the survey of Morson and Cleshar identified themselves as BAME and specifically 'Black / African / Caribbean / Black British – African'. TfL's decision to engage these workers through Morson and Cleshar means that these BAME workers are disproportionately subject to detriment in terms of their employment rights and terms and conditions.

It's time to insource these workers now

For all these reasons, it is high time that the Mayor of London put an end to the shameful outsourcing of this safety-critical track maintenance work.

Morson and Cleshar's contracts are coming to an end. Now is the time to bring these workers in-house.

¹ <https://www.london.gov.uk/press-releases/mayoral/moving-tube-maintenance-in-house-to-save-80m>

² <https://content.tfl.gov.uk/transport-for-london-ethnicity-pay-gap-report-2021.pdf>